

Chairman Genachowski and whomever this may concern at the FCC,

I urge you to act quickly to protect the Open Internet and protect your legal authority to do so by reclassifying broadband a telecommunications service under Title II of the 196 Telecommunications Act. The 1996 Telecommunications Act was a good bill with consumer protections. Before the ink was dry on this legislation though AT&T and big telecom providers sued in the courts to get this rule overturned because they did not like the line sharing requirements and regulations on their business. This law was perfectly constitutional but the courts decided to rule in their favor as if it was unconstitutional. Whatever parts of the 1996 Telecommunications Act the courts did not overturn industry lobbyists got the Bush FCC to tear down. Unfortunately, this ambitious and good public interest law was weakened enough to benefit AT&T and big telecom providers.

Below is an article concerning cable company ISPs and the need to make broadband more affordable and competitive. Even as the National Broadband Plan seeks to help make this happen the incumbent ISPs are hostile to this and must be coerced to lower rates and/or be split up into smaller companies so we can have more competitive and affordable services. The author of this article also published another one titled Why National Broadband Plan must address competition. Link to that article: <http://www.savetheinternet.com/blog/10/03/11/why-national-broadband-plan-must-address-competition>

Link to Broadband rate increase article!

<http://www.savetheinternet.com/blog/10/04/30/peeking-behind-broadband-rate-increase-curtain>

Peeking Behind the Broadband Rate Increase Curtain

By Adam Lynn, April 30, 2010

If you are a Comcast customer, you probably recently received your annual (or bi-annual) rate increase notice. If so, you'll notice that Comcast increased the price of broadband on their low and mid-tier packages. According to Comcast, its lowest-priced, or "economy," tier is for customers who call the company and "say times are a little tough." Just this week the company elaborated, saying that the economy tier was put in place "in anticipation of, really, the economic downturn." Apparently this compassion only applied when times were "a little tough" and 8.9 million people were unemployed. Now that they're really tough and 15 million people are unemployed, Comcast is gonna need to go ahead and increase the price. You know, because times are just so tough for the company, with its constantly increasing profits and free cash flow.

Comcast justifies these increases by stating, "we must adjust prices due to increases in programming and other business costs." Jeez, thanks for the detailed justification. We'll just have to assume "other business costs" means an increase in the costs relating to broadband service. Well the evidence doesn't support such an assumption. According to Comcast, their broadband expenses are on the

decline, even as they add tons of new subscribers. This makes sense since Comcast already has a ridiculously high profit margin on broadband. Indeed, just this week Comcast stated "we also are obviously selling some pretty high margin products with high-speed data and phone". Obviously. Just for fun, let's assume the company did see an increase in costs. Maybe one so high that it substantially offset that big ole margin. If it did, you would have to think that the culprit was those DOCSIS 3.0 upgrades being done by Comcast to offer higher cable broadband speeds. Well, those upgrades only cost around \$8-\$10 per home so that can't be right. I'm sure you're thinking, "but those figures don't include the new cable modems." Well, Comcast just increased the cost of renting a cable modem to all customers by 66% last fall saying that it was for these DOCSIS 3.0 upgrades.

I can't think of any other reason for Comcast's cost increases besides these upgrades so let's just pretend. But then we run into another problem. Have a look at the rate sheet increases again. The only speed tiers that did not see an increase were the highest two. Well, guess what, those are the tiers that exist because of the DOCSIS 3.0 upgrades!

This would then lead to the question: "Is Comcast subsidizing the price of broadband for those who can afford the more expensive, higher-tier 'Extreme' package with those that are saying 'times are a little tough'?" Were those cable modem increases doing the same?! Also, think about this: Comcast has probably rented that cable modem for at least three years with a customer (probably you) paying \$3 per month, every month. The thing is that you can buy one for \$20. So, Comcast has already made their money back five times over and they are increasing the monthly cost to \$5! What's more, you have to give it back if you decide to leave! Sounds like highway robbery to me.

All of this comes as the FCC is focused on increasing broadband adoption. The cable industry claims to be committed to that goal. Yet, the National Broadband Plan identified price as a primary hurdle to increasing adoption. The FCC and the public should view these increases for what they are, a slap in the face of efforts to achieve universal broadband adoption.